



**United States Department of the Interior**

Washington, D.C. 20240

**INFORM**

**MEMORANDUM FOR THE SECRETARY**

**DATE:** May 22, 2017, 2:30pm - 3:00pm

**FROM:** Vincent DeVito, Counselor for Energy Policy

**SUBJECT:** Meeting with American Petroleum Institute President and CEO, Jack Gerard

**I. STATEMENT OF PURPOSE**

American Petroleum Institute (API) has asked you to permanently kill the Obama Administration's flaring regulations following the Senate's failed attempt to kill the rule via the Congressional Review Act.

**II. BACKGROUND**

The American Petroleum Institute (API) is asking the Secretary to act in the wake of the Senate's failure. Certain companies have said they would need to shut-in operations without reversal of the Obama rules.

The Department is moving aggressively to assist production and workers and plans to grant companies an extra two years to comply with the federal regulations limiting flaring and gas leaks on public lands.

This also aligns with the President's Energy Independence Executive Order requiring the Department to consider revising or withdrawing regulations.

By delaying the rule, the Department will provide relief to the oil and gas industry from a regulation we plan to permanently change. This provides certainty for operators of federal oil and gas leases subject to its terms. This summer, we plan to issue a new rule making rescinding the Obama rules while maintaining the royalty-free uses provision.

We will also exercise our broad enforcement discretion on a case by case basis. No enforcement of the Obama rules has occurred yet.

**III. ADDITIONAL NOTE**

Over the weekend (before Monday's meeting) DeVito will lead a call with the industry groups suing to block the regulations and discuss their staying the actions against the Department in view of our aggressive response.